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**MEMO ENDORSED**

January 15, 2008

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By Facsimile

Honorable Colleen McMahon  
United States District Court  
United States Courthouse  
500 Pearl Street, Room 640  
New York, NY 10007



Colleen McMahon  
1/16/08

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Re: *In re Telik, Inc. Securities Litigation* Civil No. 07-04819 (CM) (the "Securities Action")

— and —

*Erste-Sparinvest Kapitalanlagegesellschaft v. Wick et al.* Civil No. 07-07881 (CM)  
(the "Derivative Action")

Dear Judge McMahon:

We are counsel to Telik, Inc. and the individual defendants in the above referenced actions. We write with the approval of plaintiffs' counsel in both actions.

Pursuant to Your Honor's December 7, 2007 instructions, we write to update the Court on the results of the parties' mediation and settlement negotiations. The parties to the Securities Action are pleased to report that with the assistance of Judge Weinstein we have reached an agreement in principle to settle that action. The parties to the Securities Action are working diligently to prepare settlement papers and develop and conduct an efficient process for confirmatory discovery so that plaintiffs may promptly seek the Court's approval. Accordingly, we respectfully request that the Court adjourn the motion schedule set forth in the Court's December 7, 2007 Order.

Unfortunately, despite the parties' best efforts, we have been unsuccessful as of today in reaching an agreement in the related Derivative Action. The parties in the Derivative Action are continuing to negotiate, however, and request that the Court allow us until Monday, January 21, 2008 to report on our status. Although the Court's December 7, 2007 Order set a January 30, 2008 filing deadline for defendants' motion to dismiss the Derivative Action,

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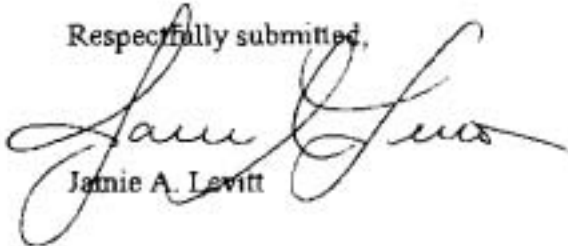
The Honorable Colleen McMahon  
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plaintiff has indicated that it may amend its initial complaint, and accordingly, to avoid wasting the parties' and the Court's resources, we request that the Court change the January 30 date to the deadline for Plaintiff's amended complaint in the event we cannot settle the Derivative Action. If acceptable to the Court, the parties jointly propose the following schedule for the Derivative Action:

1. Plaintiff's amended complaint due on or before January 30, 2008.
2. Motion to dismiss due on or before February 20, 2008.
3. Opposition to motion to dismiss is due on or before March 7, 2008.
4. Reply in support of motion to dismiss due on or before March 14, 2008.

Counsel is available at the Court's convenience if Your Honor would like a conference.

Respectfully submitted,



Jamie A. Levitt

cc: David Haller, Covington & Burling (counsel for Underwriter Defendants)  
Stanley Bernstein, Bernstein Liebhard & Lifshitz, LLP (counsel for plaintiffs in the Securities Action)  
Seth Rigrodsky, Rigrodsky & Long, P.A. (counsel for plaintiff in the Derivative Action)